Sectt. II-27—104,026—4-11-42.

# (195 ) Department.

SERIES.

| G.O. NO. | 93 |
|---|---|
| Dated | |

## [Despatch Abstract.]

Back

| G.O. | No. | Department. | Date. |
|---|---|---|---|
| Ms | 335 | Jail | 8.4.1949 ~~8.4.49~~ |

Further

| G.O. | No. | Department. | Date. |
|---|---|---|---|
| Ms. | 523 | Jail | 27.3.52 |
| Ms | 1208 | Jail | 26/7/52 |

BOARD OF REVENUE (CIVIL SUPPLIES)
Abstract.

FOODGRAINS - Milo, wheat and Rice - Imported on Government account - Delivery to the Stores after collecting advance - Proposals of the Collector - Report submitted - Orders requested -

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Board's Ref.B.101564/51-1-C3 dated 17-12-1951

ASSISTANT SECRETARY
86120
19 DEC 1951
26/12/51
FOOD AND AGRICULTURE DEPARTMENT

From:

Sri M.V. Subramanian, I.C.S.,
Commissioner of Civil Supplies.

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Sri K.S. Prakasa Rao, B.A.,
Joint Secretary to the Commissioner of Civil Supplies,
Board of Revenue (CivilSupplies),
Chepauk, MADRAS.

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Read: (1) G.O.Ms.No. 355 Food Department dated 8-4-49
(2) From the Collector of South Kanara letter No.M1.19746/51 dated 5-11-51

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In his letter cited, the Collector of South Kanara has reported that there are no private merchants in his district who are willing to take delivery of the imported foodgrains paying the cost in advance or on an agency basis. He has also reported that unless the rules in regard to the deposit of funds are relaxed, there is no means of clearing the quotas of foodgrains allotted to his district and suggested that the S.K.C.C.W. Stores Ltd., Mangalore may be given atleast a month's time for the complete payment of the value, failing which interest may be charged on the balance due from it at the end of one month from the date of completion of the deliveries of foodgrains relating to each allotment.

2) The Board submits that the Government stocks of foodgrains should not be handed over to a wholesaler (be it a co-operative Stores or a private merchant) without collecting the cost in advance. The S.K. C.C.W.Stores Ltd., are reported to be not willing to act as agents even on occasions when they are not able

P.T.O.

able to pay in full in advance. But the Collector has reported that the grant of time for payment will be necessary only when large imports arrive at one time and that normally the stores credit the amount at the time of taking delivery. Since no private wholesalers are prepared to take the stocks on pre-~~xp~~ payment, there is no other alternative but to comply with the Collector's proposal hoping that the concession will be availed of by the S.K.C.C.W.Stores only occasionally. In respect of the consignments for which the stores do not pay the cost in advance but pay it later or pay a portion of it first and then the balance later, the Board recommends that the profit margin of Re.0-4-0 per maund may be reduced to Re.0-3-0 per maund. That may serve also as a deterrent against their availing themselves of the concession where not really necessary. The Board recommends also that interest at 4% may be charged on amounts not paid within one month as in other cases (vide G.O.Ms.No. 555 Food and Agriculture dated 8-4-51).

5) The Board requests that orders passed in the matter may be communicated to it urgently.

for JOINT SECRETARY.

To

The Secretary to Government, Food and Agriculture Department,
Fort St. George, Madras.

LMS/17.12.

Sub:- Distribution - Foodgrains - S. Kanara Dt. S.K.C.C.W. Stores Ltd, Mangalore - Remittance of value of stocks delivered to Stores by Govt - Bd's proposal Approved.

Ref:- From the Bd of Rev Ref no B. 19364 dt 17-12-51.

G.O MS 93 dt. 24-1-52

In the circumstances reported by the Bd in the reference cited, the Govt approve its proposal that the S.K.C.C.W Stores Ltd, Mangalore may be given at least a month's time for the complete payment of the value of foodgrains allotted to it, failing which interest at 4·1· p.a may be charged on the balance due from it at the end of one month from the date of completion of deliveries of foodgrains relating to each allotment. The Govt also accept the Bd's recommendation that in respect of consignments for which the Stores do not pay the cost but pay it later or pay a portion of it first and then the balance later, the profit margin of Re 0-4-0 per maund be reduced to Re 0-3-0.

2. The Bd of Rev (C·S) is requested to instruct the Collector of S. Kanara to take an agreement from the President of the S.K.C.C.W. Stores Ltd Mangalore, setting forth the conditions clearly the conditions mentioned in para 1 above. It is also requested to instruct the Collector that the grant of time for payment may be given only when it is absolutely necessary.

To The Bd of Rev (C·S)
The Collector of S.K. Mangalore.

Copy to A.G. reds with a copy of pp 1-2 cf.

Copy to Bd. of Revenue (Federation Branch)
Copy for S.P. (with a copy of pp 1-2 cf) for addg.

Cno. 86720/51

Food & Agri.Dept(A).

Sub:- Civil Supplies--Foodgrains--Milo, Wheat & Rice--Imported on Govt.account--Delivel to the Stores after collecting advance--Proposals of the Collr.--Report

From the Bd.of Rev.(C.S.)Ref.B.191364/51-1 CS d.17-12-1951.

...

To A.S.

The reference from the Bd.of Rev.(C.S.) at pp.1 c.f. may be perused.

The Bd. has stated that the Collr.of South Kanara has brought to its notice that there are no private merchants in South Kanara District who are willing to take delivery of the imported foodgrains paying the cost in advance or on an agency basis and that unless the rules in regard to the deposit of funds are relaxed, there is no means of clearing the quotas of foodgrains allotted to the district. The Collr. has accordingly suggested that the South Kanara Central Co-op.Wholesale Stores Ltd., Mangalore may be given at least a month's time for the complete payment of the value, failing which interest may be charged on the balance due from it at the end of one month from the date of completion of the deliveries of foodgrains relating to each allotment.

The Bd. is of the view that the Govt.stocks of foodgrains should not be handed over to a wholesaler (be it a co-op.Stores or a private merchant) without collecting the cost in advance. The S.K.C.C. W.Stores Ltd. are reported to be not willing to act as agents even on occasions when they are able to pay in full in advance. But in this case, the Bd. has stated that since no private wholesalers are prepared to take the stocks on pre-payment, there is no other alternative but to comply with the Collr

(referred to in para 1 above)
proposal and that the Collr. has, however, stated that the grant of time for payment will be necessary only when large imports arrive at one time and that normally the stores credit the amount at the time of taking delivery. The Bd. has accordingly recommended the Collr's proposal in the hope that the concession will be availed of by the S.K.C.C.W.Stores only occasionally. The Bd. has also stated that in respect of the consignments for which the stores do not pay the cost in advance but pay it later or pay a portion of it first and then the balance, the profit margin of Re.0-4-0 per md. may be reduced to Re.0-3-0 per md. as that would serve as a deterrant against their availing themselves of the concession where not really necessary. It has also recommended that interest at 4% may be charged on amounts not paid within one month as in other cases.

In this connection, kind attention is invited to the papers in the G.O. at (B) where a similar case was brought to the notice of the Govt. and where the Bd's proposal was accepted. The Bd. was instructed to see that the Collr.of Bellary took an agreement from the President of the Bellary Central Co-op.Stores clearly setting forth the conditions of payment of the value of stocks delivered to the Stores by Govt. and the interest to be paid for default of payment exceeding a fortnight. A Copy of agreement submitted by the Bd. is at p.9 of (B)

On the same analogy, the recommendation of the Board in the case of South Kanara may also perhaps be accepted. Development & Finance may see for remarks.

28/12/51

142245,
31/12/51 Food & Agri Dept.
8627-A/51-1
29/12/51

Dev. Dept. B II

The notes at pp 1-2 above may be perused. No remarks are called for.

The case may be passed on to the Dev

Dev
8.1.52

9/1

Dev no 142245 B II/54/1-1
8-1-52

Fin (Proc)

Please see the notes from p1. above. In the circumstance stated, Finance may agree to the proposal of F/M at X on p2. above.

ADDITIONAL DEPUTY SECRETARY
9 JAN 1952
1571
FINANCE DEPARTMENT

9.1.52

PR 10.1.52 FM

ASSISTANT SECRETARY
2155
12 JAN 1952
FOOD AND AGRICULTURE DEPARTMENT

From U.O. 1571-PWR/52

10-1-52

Dev & Fin notes above.

A draft order is submitted for approval.

Ale 17-1-52 MJ 17.1.52 CWD 19/1/52 24/1/52

Issued vide G.O. 43 F/M dt/24-1-52